

**OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (NS -II)
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA-SHEVA
TALUKA:URAN, DIST-RAIGAD, MAHARASHTRA-400707**

F. No. S/5-Misc-282/15-16 LIC JNCH

Date: 29.04.2016

Public Notice No.67/2016

Subject: Prevention of use of non-genuine transferable duty credit scrips or DFIA (duty free import authorizations)

Attention of all Importers / Exporters / CHBs is invited that instances of unscrupulous persons being able to put to use non-genuine transferable duty credit scrips or duty free import authorizations (purported to relate to chapters 3/5 or 4, respectively, of the respective Foreign Trade Policy) have been noticed.

Accordingly, CBEC vide Circular 12/2016-Customs dated 28.03.2016 issued vide F. No. 605/67/2015-DBK has decided to follow the following procedure for registration and clearance of the scrips.

Pre-registration stage

1. The freely transferable varieties of reward duty credit scrips (other than related to SEZ) or duty remission duty credit scrips under post export EPCG scheme or DFIA (duty free import authorizations) where issuing authority has specified a port/Custom House will be registered on the presentation of the scrip/DFIA, along with their annexure/condition sheet after checking of any alerts.

2. The verification of genuineness is not required when scrip/DFIA is simultaneously received online through electronic transmission from DGFT. The genuineness, of the duty credit scrips/DFIA, from the issuing authority, through fast and reliable means where the scrips have not been transmitted online by DGFT.

3. Where export of goods under specific shipping bills/bills of export (not filed electronically in Customs EDI) shown in annexure/condition sheet of the reward duty credit scrip is involved, the backing shipping bills will be verified for genuineness. However, if the shipping bills were filed electronically in Customs EDI but scrip was not received simultaneously online through electronic transmission from DGFT, such

verification of genuineness of shipping bills shall be restricted to not more than 5% randomly selected scrips for which EDI shipping bill details (irrespective of port of export) shall be viewed in-house using the role ‘ *enq_cntry*’ in ICES v. 1.5, without seeking documents from exporter.

4. Where it is not required to verify genuineness of the scrip and/or its backing shipping bills (if any), but only check of absence of alert before registration. Such registration, will be carried out within 3 hours of presentation of reward scrip. In other cases of registration of reward scrips, the registration will be completed within one day, excluding time taken if any at end of the Issuing Authority.

5. In case of reward duty scrips that are registered at office of Development Commissioner of an SEZ that issue physical release advices to Customs, for usage of duty credit in relation to these scrips, prior verification of genuineness (from issuing authority) of such physical release advice will continue to be done till the feasibility of integrating such scrips/release advice in Customs EDI is examined.

6. Verifications beyond what is prescribed in the above paragraphs in relation to reward duty credit scrips leading to non-acceptance and/or undertaking of detailed/complete checks before registration will be conducted by field formations only when there is alert or intelligence suggesting misuse or requirement of an investigation.

7. In the case of duty remission duty credit scrip under post export EPCG duty credit scheme, the checks prescribed will continue to be conducted before registration. For transferable DFIA, prior to registration, it is to be verified that the details of exports given along with the DFIA matches the record of exports and is genuine. For both, the discrepancy, if any, found the same will be first referred to Regional Authority of DGFT.

8. In registering duty credit scrip or DFIA which is not simultaneously received online through electronic transmission from DGFT, all concerned are required to exercise care that correct particulars are entered in the Customs EDI system so that there is no room for mismatch of details.

Clearance stage

9. The scrip/authorization shall be presented before the proper officer of customs at the time of clearance for debit. The absence of dematerialized system for recording

issuance and transfer of scrips/DFIA issued by DGFT also necessitates presentation of the scrip for ensuring that use is by a genuine transferee holder-importer.

10. Any difficulties faced due to these instructions may be brought to the notice of the Additional Commissioner (NS-II).

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(SUBHASH AGRAWAL)

Commissioner of Customs (NS – IV)
Jawaharlal Nehru Custom House
Nhava Sheva

Copy for information to:

1. The Chief Commissioner of Customs, Mumbai – Zone – II
2. The Pr. Commissioner of Customs, NS-II & Gen, JNCH
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